

IN THE SPECIFICATION

Please amend paragraph 36 as follows:

--The OLT 32 preferably comprises a transponder 44, a bidirectional multiplexing/demultiplexing device 35 including a multiplexer (MUX) 36[[,]] and a demultiplexer (DEMUX) 38, and amplifiers 40 and 42, and the OLT 34 preferably comprises a transponder 54, a bidirectional multiplexing/demultiplexing device 45 including a multiplexer (MUX) 46[[,]] and a demultiplexer (DEMUX) 48, and amplifiers 50 and 52. Preferably, the MUXs 36 and 46 and DEMUXs 38 and 48 are Wavelength-Division-Multiplexed (WDM) devices.--

Please amend paragraph 37 as follows:

--~~In other embodiments~~ the embodiment of this invention shown in Fig. 3, the multiplexer 36 and demultiplexer 38 of OLT 32 ~~may be~~ are shown as embodied as a single in multiplexer/demultiplexer (MUX/DEMUX) 35, and the multiplexer 46 and demultiplexer 48 of OLT 34 also ~~may be~~ are embodied as a single in MUX/DEMUX 45; ~~rather than as separate devices as depicted in Fig. 3.~~ It is within the scope of this invention for the multiplexer 36 and demultiplexer 38 of OLT 32 to be embodied either as separate devices or single multiplexer/demultiplexer (MUX/DEMUX) devices, and for the multiplexer 46 and demultiplexer 48 of OLT 34 to be embodied either as separate devices or single MUX/DEMUX devices. Also, the transponders 44 and 54 of the respective OLTs 32 and 34 preferably are bidirectional transponders, although in other embodiments, a

plurality of unidirectional transponders may be employed instead, or no such transponders need be employed in the OLTs 32 and 34.--